PHILADELPHIA INQUIRER 23 OCTOBER 1977

The CIA's revealing report.

It's a time for accommodation with Soviets

By TRB

WASHINGTON — Two Americans and an Englishman split the Nobel physics prize this year and the Russians didn't place. Since 1901 there have been 38 Americans among the 109 winners and only six Russians.

A Belgian won the Nobel chemis-

A Belgian won the Nobel chemistry prize this year. There have been 89 physics winners since the start, including 21 Americans. But only one Russian.

Russians lag in technology and it affects their approach to world affairs. True, the Soviets put up the first Sputnik 20 years ago. But last week when they tried to mark the anniversary and to celebrate the 1917 October revolution, with a new feat, they failed; they couldn't make the link-up. It was the latest of a series of failures.

Lagging Soviet technology affects their industry, their agriculture, their relations with satellite countries, with the U. S. and the world. They've got oil problems, too. What isn't generally realized is that Russia is the world's largest producer of oil (yes, larger than Saudi Arabia). It helps supply satellite countries. But its easy-to-get oil (west of the Urals) is now slowing down, and transportation from the wells in the east is vastly expensive.

Unless massive infusions of investment and technology are poured in, Russia may well become an oil importer instead of exporter after 1985. That's just when prices of diminishing Middle Eastern oil will be zooming again.

Oil is only one of the Soviet Unlon's economic problems. It has a
harsh climate and has begun importing grain from the U. S. and Canada.
(A current run of good weather, meteorologists think, isn't to last.) Another thing, the rate of growth of the
labor force is slowing down and is
expected to drop sharply in the
1980s. Who will run those new machines (if Russia gets them) or harvest those crops? One Russian
worker in four is on a farm.

But to buy goods abroad you need hard currency. Russia's technology is so far behind that the West won't buy its poorly constructed manufactures; its exports consist almost entirely of raw and semi-processed materials—a trade pattern unique among industrialized countries. It badly needs trade credits, And in Moscow itself, the queues are lining up again to try to get quality goods.

The information I offer is set out coolly and dispassionately, from CIA director Adm. Stansfield Turner as given to Congress. He testified in secret sessions and parts of it were later transcribed and published by the Joint Economic Committee. It was released during the Lance news blackout and got almost no attention.

But the weakness at home may explain a number of things about recent Soviet policy including a tendency to soften up the hard line. Now they have a growing problem; their economy promises a widening

gap with the West and makes their defense posture more expensive and painful, but to modernize it would antagonize powerful political and bureaucratic forces.

We still have the American luxury of maintaining seven to eight mil-

We still have the American luxury of maintaining seven to eight million unemployed and a fifth of our plant capacity unutilized, while the unfortunate Russians must strain to get work from every citizen and ma-

chine. We can be complacent, can't we; if the U. S. has an energy crisis it can always give up its cars but the Russians have no cars to give up.

Unfortunately, arms races are not fought by comparisons of Gross National Products. In this world the Abomb is the great equalizer. Yet the evidence now produced by the CIA indicates persuasively that we have reached a juncture. The world's second largest economy has got serious bottlenecks and will apparently get a lot more very shortly.

The Soviets have reason, as never

The Soviets have reason, as neverbefore, to consider an accommodation. It strengthens our bargaining position. It is a high card. Can we play it wisely?

I agree with wise old Averell Harriman who repeated here recently his
firm conviction: Stay alert, keep defenses up, but do not despair that the
Russians are implacable and immovable; explore every avenue of understanding including trade. Yes, trade
that helps them raise productivity
and living standards. What price in
reduced tension will they pay for
technology?

(TRB is the nom de plume for Richard Strout, a veteran Wash-ington correspondent for the Christian Science Monitor, who writes a column under those initials for New Republic magazine.)

Approved For Release 2007/08/20 : CIA-RDP99-00498R000100120078-6